GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:381
ANSWERED ON:20.08.2004
KELKAR REPORT
Meghwal Shri Kailash;Singh Shri Mohan

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has received second report of Kelkar Committee on tax reform to establish fiscal discipline by 2008-09;

(b) if so, the main recommendations of the report; and

(c) the action taken by the Government thereon?

Answer

MINISTER OF FINANCE (P. CHIDAMBARAM)

(a) to (c): A Statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No.381 for 20.08.2004

(a) to (c) Yes, Sir; the Report of the Task Force on Implementation of the Fiscal Responsibility and Budget Management (FRBM) Act, 2003 headed by Dr. Vijay L. Kelkar has been received by the Government.

The Task Force has recommended a revenue-led fiscal correction strategy through wide ranging tax reforms including expanding the services tax net, removal of tax exemptions, reduction in tax rates, administrative improvements in tax departments and the introduction of a Goods and Services Tax. These recommendations will provide valuable inputs for the formulation of Government policy in this regard.